

SECOND REGULAR SESSION

HOUSE BILL NO. 2203

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE FITZWATER.

4724H.01I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 173.2553, RSMo, and to enact in lieu thereof one new section relating to workforce development.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 173.2553, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 173.2553, to read as follows:

173.2553. 1. There is hereby established a "Fast Track Workforce Incentive Grant", and any moneys appropriated by the general assembly for this program shall be used to provide grants for Missouri citizens to attend an approved Missouri postsecondary institution of their choice in accordance with the provisions of this section.

2. The definitions of terms set forth in section 173.1102 shall be applicable to such terms as used in this section and section 173.2554. In addition, the following terms shall mean:

(1) "Active apprentice status", formal participation in an apprenticeship that meets any related requirements as defined by the organization providing the apprenticeship or the United States Department of Labor;

(2) "Board", the coordinating board for higher education;

~~[(2)]~~ (3) "Eligible apprentice", an individual who:

(a) Is a citizen or permanent resident of the United States;

(b) Is a Missouri resident as determined by reference to standards promulgated by the coordinating board;

(c) Has active apprentice status in an eligible apprenticeship;

EXPLANATION — Matter enclosed in bold-faced brackets ~~[thus]~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 **(d) Has an adjusted gross income as reported on their Missouri individual**
18 **income tax return, that does not exceed eighty thousand dollars for married filing joint**
19 **taxpayers or forty thousand dollars for all other taxpayers; and**

20 **(e) Is twenty-five years of age or older at the time of entering the apprenticeship**
21 **or has not been enrolled in a postsecondary education program, other than one related**
22 **to the current apprenticeship, for the prior two calendar years;**

23 **(4) "Eligible apprenticeship", a United States Department of Labor approved**
24 **apprenticeship, as defined under 29 CFR Part 29, conducted within the state of Missouri**
25 **that prepares a participant to enter employment in an area of occupational shortage as**
26 **determined by the coordinating board;**

27 **(5) "Eligible program of study", a program of instruction:**

28 (a) Resulting in the award of a certificate, undergraduate degree, or other industry-
29 recognized credential; and

30 (b) That has been designated by the coordinating board as preparing students to enter
31 an area of occupational shortage as determined by the board;

32 ~~[(3)]~~ **(6) "Eligible student", an individual who:**

33 (a) Has completed and submitted a FAFSA for the academic year for which the grant
34 is requested;

35 (b) Is a citizen or permanent resident of the United States;

36 (c) Is a Missouri resident as determined by reference to standards promulgated by the
37 coordinating board;

38 (d) Is enrolled, or plans to enroll, at least half-time as a student in an eligible
39 undergraduate program of study offered by an approved public, private, or virtual institution,
40 as defined in section 173.1102;

41 (e) Has an adjusted gross income, as reported on the FAFSA, that does not exceed
42 eighty thousand dollars for married filing joint taxpayers or forty thousand dollars for all
43 other taxpayers; and

44 (f) Is twenty-five years of age or older at the time of enrollment or has not been
45 enrolled in an educational program for the prior two academic years;

46 ~~[(4)]~~ **(7) "FAFSA", the Free Application for Federal Student Aid, as maintained by**
47 **the United States Department of Education;**

48 ~~[(5)]~~ **(8) "Fast track grant", an amount of moneys paid by the state of Missouri to a**
49 **student under the provisions of this section;**

50 ~~[(6)]~~ **(9) "Graduation", completion of a program of study as indicated by the award of**
51 **a certificate, undergraduate degree, or other industry-recognized credential;**

52 ~~[(7)]~~ **(10) "Qualifying employment", full-time employment of a Missouri resident at a**
53 **workplace located within the state of Missouri, or self-employment while a Missouri resident,**

54 with at least fifty percent of an individual's annual income coming from self-employment,
55 either of which result in required returns of income in accordance with section 143.481;

56 ~~[(8)]~~ (11) "Recipient", an eligible student ~~[or]~~, **an eligible apprentice, a renewal**
57 **apprentice, or a** renewal student who receives a fast track grant under the provisions of this
58 section;

59 ~~[(9)]~~ (12) "**Related educational costs**", **direct costs incurred by an individual as**
60 **part of an eligible apprenticeship program, such as, but not limited to, tools, books, and**
61 **uniforms;**

62 (13) "**Renewal apprentice**", **an eligible apprentice who remains in compliance**
63 **with the provision of this section, has received the grant as an initial apprentice,**
64 **maintains active apprentice status, and who has not received a bachelor's degree;**

65 (14) "Renewal student", an eligible student who remains in compliance with the
66 provisions of this section, has received a grant as an initial recipient, maintains a cumulative
67 grade point average of at least two and one-half on a four-point scale or the equivalent, makes
68 satisfactory academic degree progress as defined by the institution, with the exception of
69 grade point average, and has not received a bachelor's degree.

70 3. Standards of eligibility for renewed assistance shall be the same as for an initial
71 award of financial assistance; except that, for **a renewal student**, an applicant shall
72 demonstrate a grade point average of two and one-half on a four-point scale, or the equivalent
73 on another scale.

74 4. Eligibility for a grant expires upon the earliest of:

75 (1) Receipt of the grant for four semesters or the equivalent;

76 (2) Receipt of a bachelor's degree; or

77 (3) **For an eligible student**, reaching two hundred percent of the time typically
78 required to complete the program of study.

79 5. The coordinating board shall initially designate eligible programs of study by
80 January 1, 2020, in connection with local education institutions, regional business
81 organizations, and other stakeholders. The coordinating board shall annually review the
82 list of eligible programs of study and **occupations relating to eligible apprenticeships and**
83 make changes to the program list as it determines appropriate.

84 6. The coordinating board shall be the administrative agency for the implementation
85 of the program established by this section and section 173.2554. The coordinating board shall
86 promulgate reasonable rules and regulations for the exercise of its functions and the
87 effectuation of the purposes of this section and section 173.2554. The coordinating board
88 shall prescribe the form and the time and method of filing applications and supervise the
89 processing thereof. The coordinating board shall determine the criteria for eligibility of
90 applicants and shall evaluate each applicant's eligibility. The coordinating board shall select

91 qualified recipients to receive grants, make such awards of financial assistance to qualified
92 recipients, and determine the manner and method of payment to the recipients.

93 7. The coordinating board shall determine eligibility for renewed assistance on the
94 basis of annual applications. As a condition to consideration for initial or renewed assistance,
95 the coordinating board may require the applicant and the applicant's spouse to execute forms
96 of consent authorizing the director of revenue to compare financial information submitted by
97 the applicant with the Missouri individual income tax returns of the applicant, and the
98 applicant's spouse, for the taxable year immediately preceding the year for which application
99 is made, and to report any discrepancies to the coordinating board.

100 8. Grants shall be awarded in an amount equal to the actual tuition and general fees
101 charged of an eligible student, after all federal nonloan aid, state student aid, and any other
102 governmental student financial aid are applied. If a grant amount is reduced to zero due to the
103 receipt of other aid, the eligible student shall receive an award of up to five hundred dollars or
104 the remaining cost of attendance as calculated by the institution after all nonloan student aid
105 has been applied, whichever is less, per academic term. **Grants shall also be awarded in an**
106 **amount equal to the related educational costs for an eligible apprentice after all other**
107 **governmental assistance provided for the apprenticeship has been applied.**

108 9. If appropriated funds are insufficient to fund the program as described, students
109 **and apprentices** applying for renewed assistance shall be given priority until all funds are
110 expended.

111 10. ~~[A]~~ **An eligible student that is the** recipient of financial assistance may transfer
112 from one approved public, private, or virtual institution to another without losing eligibility
113 for assistance under this section, but the coordinating board shall make any necessary
114 adjustments in the amount of the award. If a recipient of financial assistance at any time is
115 entitled to a refund of any tuition or fees under the rules and regulations of the institution in
116 which he or she is enrolled, the institution shall pay the portion of the refund that may be
117 attributed to the grant to the coordinating board. The coordinating board shall use these
118 refunds to make additional awards under the provisions of this section.

119 11. Subject to the requirements of subsections 2, 3, and 4 of this section, a student is
120 eligible for a fast track grant under this section if the student meets all of the following
121 criteria:

122 (1) The student **or apprentice** has successfully completed counseling explaining the
123 benefits and obligations of the program under this section, including the terms and conditions
124 of the promissory note under subdivision (2) of this subsection and the consequences of
125 noncompliance specified in section 173.2554; and

(2) The student executes a promissory note acknowledging that the fast track grant moneys awarded under this section will be converted to a loan, and agreeing to repay that loan if he or she fails to satisfy **any of** the following conditions:

(a) **For an eligible student**, maintenance of at least half-time enrollment in an eligible program, with an interruption of qualifying enrollment of no more than twelve consecutive months from the last day of the most recent payment period during which the student received a fast track award **or for an eligible apprentice, maintenance of active apprentice status, with an interruption of not more than twelve consecutive months from the last day of the most recent payment period during which the student received a fast track award;**

(b) Graduation from an approved institution **or successful completion of an eligible apprenticeship;** or

(c) Residency within the state of Missouri within twelve months after the date of the student's graduation and for a period of not less than three years and qualifying employment within twelve months of the student's graduation and for a period of not less than three years. Residency and qualifying employment obligations may be deferred if the recipient's studies continue after graduation **or completion of the apprenticeship.**

12. Persons who receive fast track grants under this section shall be required to submit proof of residency and qualifying employment to the coordinating board for higher education within thirty days of completing each twelve months of qualifying employment until the three-year employment obligation is fulfilled.

~~[13. Under section 23.253 of the Missouri sunset act:~~

~~(1) The provisions of the new program authorized under this section shall sunset automatically three years after August 28, 2019, unless reauthorized by an act of the general assembly; and~~

~~(2) If such program is reauthorized, the program authorized under this section shall sunset automatically six years after the effective date of the reauthorization; and~~

~~(3) This section shall terminate on December thirty-first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.]~~

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